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IWG CASE NO. 76  
Control No. 2074  
20 October 1954

SUBJECT

Intelligence on Trade in Decontrolled Commodities

REQUESTING AGENCY AND DATE

FOA/MDAC; 22 July 1954

DEADLINE FOR RECEIPT OF INFORMATION

None; continuing request

PROPOSED USE

Information to be used by action agencies in their efforts to trace the movement of decontrolled commodities to Soviet destinations, and to assess the effects of such decontrol on the control program.

BACKGROUND AND REFERENCES

Background: As a result of the recent security list review in COCOM, the international embargo and quantitative control lists were materially revised. It is expected that, as a result of such action, many formerly controlled items will now be shipped to the Soviet bloc. It is important that such trade be watched in order to determine the extent and magnitude of sales, the benefit derived by the Soviet bloc economy, and the effect of such trade on the export control program. The magnitude of recent Soviet bloc orders for copper wire and boring machines illustrates the nature of this problem.

References: Minutes of IWG Meetings (IWG/M-63; IWG/M-64; IWG/M-65); Check List of COCOM and JOC Actions (prepared by Commerce); [REDACTED]

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SPECIFIC INFORMATION AND/OR ACTION DESIRED

This case has been prepared for record purposes. An IWG Subgroup on this subject has been established with instructions to: (a) prepare a list of decontrolled items; (b) indicate those items the movements of which should be traced; (c) determine the most feasible method of

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tracing such movements; and (d) survey capabilities of IWG member agencies for purposes of the project. Representatives of CIA, MDAC, OIR and Commerce were designated to the Subgroup, with [REDACTED] as Chairman. The OSD member provided the Chairman of the Subgroup with lists of those decontrolled items of particular interest to the services. IWG was advised on 26 August that COCOM has been asked to consider special statistical reporting on shipment by PC's to the bloc of decontrolled IL-I and IL-II items.

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